

MEDICAL ASSISTANCE AND NURSING HOME CARE

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This guide was prepared by the Rhode Island Department of Elderly Affairs, in collaboration with the Rhode Island Department of Human Services.

Medical Assistance (Medicaid) is a federal-state funded health insurance program for certain low-income and needy people. It covers approximately 180,000 Rhode Islanders including children, the aged, blind, and/or persons with disabilities, Supplemental Security Income recipients, and others. This publication is intended to help those seeking general information about Medicaid eligibility to pay for long-term care in a Rhode Island nursing home. For additional information, please contact the Department of Human Services (DHS) long-term care offices in your area listed in this publication.

MEDICAL ASSISTANCE IN A NURSING HOME:

If individuals do not have sufficient monthly income to pay for nursing home care, and they have less than **\$4,000** in resources (such as bank accounts, stocks, bonds, property not used as a home, etc.), they may qualify for Medicaid to help pay for nursing home care.

DHS must find that there is a medical need for the person to be in a nursing home. In the case where there is no spouse that lives in the community, most of the recipient's income is turned over to the nursing home as partial payment for their care and the Medicaid program pays the remainder. If the stay is "short term," allowances are made for certain community expenses. If there is a spouse living in the community, some of the recipient's income may go to that spouse on an ongoing basis.

The DHS long-term care worker will determine the amount based on the specific circumstances of the community spouse. In any case, the Medicaid recipient keeps at least **\$50** each month as a personal needs allowance and may also retain additional income to pay for existing medical insurance premiums.

While most Rhode Island nursing homes participate in the Medicaid program, some do not. Check in advance to determine whether a specific nursing home participates in the program.

SPOUSAL IMPOVERISHMENT PROVISIONS OF MEDICAID:

In determining eligibility for Medicaid, the long-term care worker takes a "financial snapshot" of a couple's financial situation as of the first of the month that the applicant begins a continuous period of institutionalization (hospitalization and/or nursing home placement). Most resources are counted, whether held jointly or separately. Since there are many rules regarding spousal impoverishment, some individuals may decide to consult an attorney. The nursing home resident is entitled to keep up to **\$4,000** in resources and the community spouse may keep, to the extent that resources are available, equal to the greater of **\$21,912** or the spousal share of 50 percent of the total joint resources up to a maximum of **\$109,560**. In all cases, the nursing home resident must have no more than **\$4,000** in countable resources before they are qualified to receive Medicaid payments. This does not prohibit the recipient from applying for long-term care coverage prior to "spending down" their resources below **\$4,000**. In fact, it is advisable to apply prior to getting below the **\$4,000** resource limit.

Married couples may file an “Advance Determination” or a Medicaid application to confirm the amount of the spousal share to be kept by the community spouse.

INCOME:

None of the community spouse’s income is considered to be available to the institutionalized spouse for payment to the nursing home. Depending on the circumstances, the community spouse may be entitled to a portion of the institutionalized spouse’s income. The DHS long-term care worker can provide additional information regarding specific circumstances.

As of **July 2009**, the basic monthly allowance of the community spouse is **\$1,821.25**. If the community spouse’s shelter expenses (rent, mortgage, and utility allowance) exceed **\$546.37** the excess is added to this basic monthly allowance. A community spouse with an income of less than **\$1,821.25** (or less than the higher amount due to excess shelter costs) may receive some of the nursing home spouse’s income, if available, to bring his/her amount up to the standard monthly allowance. The maximum amount of income that can be reallocated to the community spouse is **\$2,739** per month.

THE HOUSE:

For applications and recertifications after January 1, 2006 the home of an institutionalized applicant is an excluded resource if it is located in Rhode Island, if the applicant’s equity value of the home is less than **\$500,000** and the applicant expresses an intention to return to the home. Individuals whose spouse, child under 21 or child who is blind or disabled as defined by the Social Security Act lawfully resides in the individual’s home would not be excluded from eligibility. This provision would not prevent an individual from using a reverse mortgage or home equity loan to reduce the individual’s total interest in the home. If the applicant does not maintain a Rhode Island home, the home exclusion applies to the principal place of residence of the community spouse or dependent child.

TRANSFER OF RESOURCES:

As of February 8, 2006, DHS is required to look at any transfer of income or resources for the previous **60** months from the date of a Medicaid application. A “look-back period” of **60 months** years is used for income or resources transferred to a trust. If income or resources, including property (homes, land, vehicles, etc.) bank accounts, stocks, bonds etc., are transferred for less than fair market value within the “look-back period,” the individual may not qualify for help with nursing home payments or payments for other long-term care services. A standard formula is used to determine the period of ineligibility or “transfer penalty.” Since there are some exceptions to the transfer rules, it is very important to talk with a DHS long-term care worker about specific circumstances.

LIENS:

State law provides for DHS to track the dollar amount of Medicaid benefits paid on behalf of recipients 55 and older. The State may place a lien on the estate of the Medicaid recipient after his/her death. The lien is not placed against the estate of a Medicaid recipient survived by a spouse, a child under 21, or a disabled child after he/she dies.

NURSING HOME COMPARE:

Information is now available about the quality of care in local nursing homes. Among the measurements used are management of pain, nutrition, infections, the use of physical restraints, and other standards. Go to the web at www.medicare.gov and select the "Nursing Home Compare" link. Information is available on a state-by-state basis. You can also call Medicare at **1-800-MEDICARE (1-800-633-4227)**, or **1-877-486-2048 (Voice/TTY)**. Nursing home comparisons are also available through the Rhode Island Department of Health web site at www.healthri.org. Follow the links under the "Nursing Home" category.

FINAL NOTES:

DEA has compiled this information in response to numerous inquiries we receive on a regular basis regarding nursing home care and payment under the Medicaid program. This information is updated as changes in the program become effective. **Please be advised that this publication does not address all the aspects of Medicaid coverage and eligibility.** As with any federal or state program, Medicaid regulations are subject to change.

Each Medicaid applicant brings a unique set of circumstances with his/her application to the program. The "what if" questions can be extremely difficult to address with certainty because of the complexity of Medicaid regulations and the numerous issues that each applicant presents. That's why it's vital to talk with a DHS long-term care worker about your situation.

People of all ages should exercise great caution in giving away money or property, and/or transferring or placing property, cash and other assets in another person's name.

LONG-TERM CARE OFFICES:

The long term care units of DHS determine Medicaid eligibility and remain the primary source of information about Medicaid coverage for nursing home care. For more details, contact the nearest DHS long-term care office:

Cranston: 462-5182
Newport: 849-6000
Woonsocket: 235-6300

East Providence: 222-7311
Providence: 222-7000